

MINUTES
REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY
Tuesday, July 14, 2015
City Hall, Room 604
1:30 p.m.

MEMBERS PRESENT: Harry Maier, Chair; Gary Delveaux, Vice-Chair; Ald. Joe Moore, Matt Schueller

MEMBERS EXCUSED: Jim Blumreich, Melanie Parma, Tom Weber

LIAISON REPRESENTATIVES PRESENT: Jeff Mirkes

OTHERS PRESENT: Mayor Schmitt, Kim Flom, Cheryl Renier-Wigg, Krista Baeten, Billie Jo Horsens, Kevin King, Kevin Vonck, Wendy Townsend, Jim Mueller, Nora Pecor, Scott Boettcher, David Guba, Scott Schoeneman, Ald. Dave Nennig, Jeff Bollier, Troy Dempsey, Joshua Schwalbe, Xinyi Liu, Ken Betsch, Jon Mueller, Jeff Knutson, Mark Schumacher, Ald. Randy Scannell, Dr. Fred Johnson, Media

APPROVAL OF AGENDA:

Approval of the agenda for the July 14, 2015, meeting of the Redevelopment Authority.

A motion was made by M. Schueller and seconded by G. Delveaux to amend the agenda to take Item #9 after Item #7. Motion carried.

APPROVAL OF MINUTES:

Approval of the minutes from the June 9, 2015, regular meeting and June 25, 2015, special meeting of the Redevelopment Authority.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to approve the minutes from the June 9, 2015, regular meeting and June 25, 2015, special meeting of the Redevelopment Authority. Motion carried.

COMMUNICATIONS:

None.

OLD BUSINESS:

1. Update on KI Convention Center by Jon Mueller and Ken Betsch.

A motion was made by G. Delveaux and seconded by M. Schueller to open the meeting for public discussion. Motion carried.

Ken Betsch provided an update and noted that progress is going well. Finishing touches are being put on the building. Carpeting is going in; paint and finishes are done inside the building. The first event in the building will be on September 10. Site work is

being coordinated with the Hampton Hotel contractor to make sure the two buildings look compatible. There are connections between the two buildings that need coordination. A coordination meeting between the two contractors is planned to mesh the two projects together to make sure things will be done in the order needed. There has been a walk through with Cineviz to locate everything for the digital signage. The inside of the building will be done for September 10, but some of the outside activities may not be done until the end of September, including Adams Street reconstruction, the Packers Plaza, and work along the river.

H. Maier questioned if the Hampton would be ready for the September 10 convention. J. Mueller indicated they are trying to at least have part of the hotel ready by that date.

Mayor Schmitt briefly discussed the funding for the project and noted that room taxes are a big part of it.

A motion was made by Ald. J. Moore and seconded by M. Schueller to return to regular order of business. Motion carried.

2. Review and approval of the Metreau Apartments building design at the northwest corner of Washington and Walnut Streets.

K. Flom indicated that in June 2013, the RDA approved the Development Agreement for the Metreau Apartments. A follow-up item, per the Development Agreement, is the formal approval of the building design plans. Little has changed related to the exterior from earlier renderings. The renderings were reviewed and the building design blends masonry, metal, and glass into a contemporary design that will be a nice compliment to the downtown. Parking is integrated into the building in the lower level. The site plan is very urban structure taking up the entire block, but also connecting to the City Deck. Some of the foundation has shifted from what was seen earlier. They are doing a single elevation foundation, which means there is going to be a small ramp and stairwell on the Washington Street side. This has been reviewed by staff and is not an issue. The design has not changed much from what was originally presented.

M. Parma, who was unable to attend the meeting, asked for clarification on some of the exterior materials.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to open the meeting for public discussion. Motion carried.

Nora Pecor provided an overview of the building exterior materials. The entire first floor is masonry and glass; almost everything above the first floor is a combination of metal panels in different colors and textures and glass. The building will have 107 units.

G. Delveaux questioned how the water issue was handled during excavation. Scott Boettcher, Project Manager from Catalyst Construction, indicated that as they excavated the water continued to cover the site. The water had to be treated before

they could pump it out. They recently put in a grout curtain to prevent the water from getting into the site and it is now under control.

The targeted completion date is late August 2016. They will not reserve units and put out pricing until the structure is in place, to be sure things are on schedule. They anticipate putting out pricing in October.

K. Flom noted that the exterior elevations show some clay facing brick and that was confirmed to be accurate.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to return to regular order of business. Motion carried.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to approve the Metreau Apartments building design as shown on the renderings and plans presented. Motion carried.

3. Discussion on development potential at Kellogg/Chestnut.

K. Flom indicated that last fall the RDA authorized staff to work with Jeff Witte to construct live/work units on the property. That project has not materialized, but there has been recent interest expressed in the property by up to three people. The interested parties are in attendance. Drawings were included in the packet on proposed developments. One proposal includes live/work units on the street facing side of N. Chestnut, but accommodates some garage parking that would serve the 401-409 N. Broadway building. Those buildings are squeezed for parking and it has been a hindrance on the development potential of 409 N. Broadway. The other proposal shows the parcel used as a parking lot, which facilitates potentially more units in the 409 N. Broadway building. Jeff Knutson and David Guba are present to speak.

K. Flom noted there are a number of options that could be considered. From a planning design perspective, staff prefers an option that shows development on the corner and some parking to serve the Broadway buildings. It is felt that architecture on the street would help the value and neighborhood feel of the residential across the street. Staff recommendation is to pursue a project that would combine street front development, but also provide parking to serve the 401-409 N. Broadway properties.

G. Delveaux noted that he liked the RFP process that was used in the past, but they need to define the objectives.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to open the meeting for public discussion. Motion carried.

David Guba stated that he has been working with Jeff Witte on this project over the last few years. He would be the buyer/developer for the first unit on the lot and also build the second unit. They would form a development group and LLC to develop the next two units. They plan on splitting the parcel so there would be parking for the N.

Broadway properties. He is working with Dallman Architects out of Milwaukee and also with Jeff Witte.

Details were provided on the proposed footprint of the units, number of bedrooms, square footage, and parking. This project could potentially get started in six months to a year.

Jeff Knutson stated that he recently finished developing 401 N. Broadway and would like to get started on 409 N. Broadway. 401 N. Broadway is a 14-unit apartment building, which is fully occupied. He would like to develop 409 N. Broadway into a 21-unit apartment building. Currently, with parking that is available between the two buildings, he has three empty spaces. He needs 20-30 spots to be able to develop 409 N. Broadway. He'd like to be finished with 409 N. Broadway by May 2016.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to return to regular order of business. Motion carried.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to authorize staff to proceed with a RFP to the public for redevelopment of the site at Kellogg/Chestnut. Motion carried.

A motion was made by Ald. J. Moore and seconded by M. Schueller to take Item #7 out of order per the request of Mayor Schmitt. Motion carried.

7. Review and approval of Letter of Intent and execution of option for property at 227 E. Walnut and 109 N. Adams Street.

W. Townsend stated that a Letter of Intent was presented to staff for the Schauer and Schumacher property, which has been for sale for some time. They would like the RDA to approve the Letter of Intent with Initiative – Two, LLC.

A motion was made by Ald. J. Moore and seconded by M. Schueller to open the meeting for discussion. Motion carried.

Mayor Schmitt stated that the City purchased this property some time ago and Dr. Fred Johnson, the owner of Initiative One, which is located across the street, is interested in the property.

Dr. Johnson discussed the property he redeveloped for Initiative One and his concern that whatever happens in the neighborhood has to fit within their own brand. He looked at the Schauer and Schumacher property before purchasing the property across the street. He has already secured the services of an architect and developer, the same developer used in the development of Initiative One. The concept of their plan is to restore the property back to its original grandeur in the late 19th century and turn the property into ultra luxury high-end apartments, six to seven units between 1,500 to 2,000 square feet per unit. He believes the development will need to be apartments in order to qualify for historic tax credits and receive funding through grants because of the

nature of the historical property. He wants to create a venue that meets the need of the walking community. The development would be meant for someone who wants convenience and high-end lifestyle at the touch of a button. With respect to a timeline, he would like to get started as soon as possible and provided assurance that he is serious about the project and that it will be done with the same quality and vision as the Initiative One development.

J. Mueller indicated that the Letter of Intent is pretty standard and the action needed would be to accept the Letter of Intent and authorize staff to enter into a planning option.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to return to regular order of business. Motion carried.

A motion was made by G. Delveaux and seconded by M. Schueller to approve the Letter of Intent with Initiative - Two, LLC and authorize staff to negotiate and execute an option. Motion carried.

4. Request by Jim Sanderson to consider the idea of a covered pedestrian skywalk connection between the KI Convention Center and the Hotel Northland along with the downtown entertainment district.

A skywalk analysis report was provided as part of the agenda packet.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to receive and place on file the skywalk analysis report. Motion carried.

5. Request for \$17,390.00 of CDBG funds for Dousman Streetscape project.

K. King provided an update on the Dousman Streetscape project. At the June RDA meeting, the Authority awarded the low bid for the project, and at that time there were additional costs for material purchases that we weren't sure of. Quotes were requested and estimates have come back for light poles and luminary post tops. The low bidder is Neher Electric in the amount of \$13,048.00. In addition, staff is requesting approval to purchase pedestals and duplex receptacles for tree pit lighting in the amount of \$4,342.00. It was noted that six companies provided quotes.

A motion was made by G. Delveaux and seconded by M. Schueller to approve \$17,390.00 of CDBG funds for the additional electrical fixtures for the Dousman Streetscape project. Motion carried.

NEW BUSINESS:

6. Request by Chad Longley for six month option at 1141 Chicago Street to explore new, single family house construction.

C. Renier-Wigg stated that 1141 and 1145 Chicago Street were purchased and houses were razed. During the razing of 1141, staff received an inquiry from Mr. Longley to purchase the lot to build a new, single family home. Staff has been working with him on

neighborhood design standards and requirements as well as possible finance incentives through Neighborhood Enhancement. At this time he would like a six month option that includes a \$500 refundable option fee to allow time for due diligence.

A motion was made by G. Delveaux and seconded by M. Schueller to authorize staff to executive a six month option with Chad Longley for 1141 Chicago Street that includes a \$500 refundable option fee. Motion carried.

9. Request to approve Neighborhood Enhancement Fund 2015 proposal.

K. Flom stated that the City Council allocated \$1.5 million dollars in Neighborhood Enhancement funds this year. A proposal has been drafted that includes the previous programs used for the funds along with some new things, based on ideas from the elected officials. The proposal includes the following breakdown for allocating the funds:

Existing Programs

- Residential Acquisition/Demolition/Maintenance - \$900,000
 - Targets key properties in neighborhood for acquisition.
- Conversion Grants - \$100,000
 - Works to reduce density and restore homes to original design intent.

Proposed Programs

- City Beautification - \$140,000
 - Implements aesthetic, place making improvements at highly visible public locations, therefore elevating the appearance of the entire neighborhood.
- Development Incentive Program - \$300,000
 - Provide incentives to build and renovate.
- Administrative and Marketing - \$60,000
 - Part time employee to help with administration of the program.
 - Marketing lots and program

Approval of the plan is requested and it is the intention to report back to the RDA on a regular basis. In addition to the allocation plan, staff is also requesting to streamline the process.

Current Process:

1. Council approves Neighborhood Enhancement Funds.
2. Request made to RDA through communication from City Council via Alder.
3. RDA recommendation to refer to staff.
4. Staff make recommendation to RDA.
5. RDA recommendation to City Council.
6. City Council final approval/denial.

Proposed Process:

1. Council approves Neighborhood Enhancement Allocation Plan.
2. Alders make requests directly to staff.
3. Staff makes recommendations to RDA.
4. RDA final approval/denial.

5. RDA report to Council informational with quarterly report on program progress.

It was clarified that Neighborhood Enhancement is a city-wide program and is not tied to the CDBG and HOME boundaries.

A motion was made by M. Schueller and seconded by G. Delveaux to approve the Neighborhood Enhancement Fund 2015 Proposal and streamlined process and refer to City Council for final approval. Motion carried.

8. Request by NeighborWorks Green Bay for \$23,500 of E. Walnut Street Neighborhood Initiative Grant funding for improvements at 1257 and 1261 E. Walnut Street.

C. Renier-Wigg stated that in 2008 the City received a \$1.2 million allocation called the Neighborhood Initiative Grant for improvements along E. Walnut Street from Webster to Baird. Many improvements have been done including the replacement of the right-of-ways with red brick concrete, reconstruction of the intersection at Baird and Walnut, and several property acquisitions. As a result of the acquisitions, there are two larger development sites as well as a smaller one. Development proposals for the two larger sites are anticipated within the next couple of months. The end of the funding cycle is approaching and all grant money needs to be spent by the end of September.

The request by NeighborWorks Green Bay is for properties that they own at 1257 and 1261 E. Walnut Street. A full rehab was done on these properties about 15 years ago. The properties could use improvements to the porches, fencing, and landscaping, which would be a nice improvement in that block.

A motion was made by G. Delveaux and seconded by M. Schueller to approve the allocation of \$23,500 of Neighborhood Initiative Grant funding for façade improvements at 1257 and 1261 E. Walnut Street. Motion carried.

10. Request to purchase 1108 and 1114 E. Walnut Street for \$130,000, 1168 E. Walnut Street for \$58,000, and 1308 E. Walnut Street for \$40,000, using Neighborhood Initiative Grant funding.

C. Renier-Wigg stated that staff has been successful in getting accepted offers on a number of properties on E. Walnut in the 1100 block and 1300 block. 1108 and 1114 are two duplexes adjacent to each other and have the same owner. They are in need of rehabilitation work and could be maintained as rentals. Staff is requesting to purchase the two properties and expects a proposal from NeighborWorks at the August RDA meeting for the rehab. There is an accepted offer of \$130,000.

1168 E. Walnut is a single family house with a good interior on a nice lot. The exterior is in poor condition with rotting wood siding, a poor roof, and a gravel drive. Staff is requesting to purchase this property and make the exterior repairs and improvements and list the property for sale for owner-occupancy. There is an accepted offer of \$58,000.

1308 E. Walnut is currently in the foreclosure process. Staff has offered \$40,000. The property is a rental and needs significant rehab. There are various options for this property. It could remain a rental or could also be removed and the land parceled off to provide a back yard for the property to the south or combined with the parcel to the west to create a buildable lot.

Closing on these purchases would need to take place before September 30. All of the properties are currently vacant.

A motion was made by Ald. J. Moore and seconded by M. Schueller to approve the purchase of 1108 and 1114 E. Walnut for \$130,000, 1168 E. Walnut for \$58,000, and 1308 E. Walnut for \$40,000 using Neighborhood Initiative Grant funding. Motion carried.

11. Request to sell 603 N. Ashland Avenue for \$2,000 and 720 Stuart Street for \$3,000 to be attached to adjacent properties.

These are both vacant, unbuildable lots that the RDA has held to combine with adjacent parcels. B. Horsens stated that the RDA has owned 603 N. Ashland since 2004 and 720 Stuart since 2001. There are new owners of the adjacent properties who would like to purchase the parcels. The assessed value of 603 N. Ashland is \$2,500 and the buyer is offering \$2,000. The assessed value of 720 Stuart is \$7,000 and the buyer is offering \$3,000.

A motion was made by Ald. J. Moore and seconded by M. Schueller to approve the sale of 603 N. Ashland Avenue for \$2,000 and 720 Stuart Street for \$3,000 to adjacent property owners to combine with their parcels. Motion carried.

12. Property Disposition Plan Update.

K. Flom indicated that this plan has been updated similar to last year and shows the RDA owned properties and their status.

G. Delveaux commented on how each property has a recommendation and questioned how they are prioritized.

C. Renier-Wigg stated this will be part of the marketing they will do along with the enhancement funds to get all of the lots listed on the website and work with Economic Development staff. She noted that the list is somewhat deceiving because not all of the lots are available to build on. For example, some are being held because of the upcoming Webster Avenue expansion.

H. Maier and G. Delveaux requested to get updates every month or two.

A motion was made by M. Schueller and seconded by Ald. J. Moore to receive and place on file. Motion carried.

BILLS:

13. Acceptance of financial report and check register as provided.

A motion was made by G. Delveaux and seconded by M. Schueller to approve the financial report and check register as provided. Motion carried.

INFORMATIONAL:

14. Director's Report and Project Updates.

- Community Development Revolving Loan Program Policies and Procedures Manual Update
- HUD Monitoring Summary

K. Flom provided the following updates:

- The revisions have been made to the Community Development Revolving Loan Fund Policies and Procedures Manual that provide for the committee to look at loan forgiveness. Updated copies of the manual were distributed.
- Representatives from the HUD Milwaukee Office were in for monitoring to ensure we are following all Federal requirements. The monitoring went very well and they were complimentary about how we run our program. A written letter should be received in the next few weeks.
- The barge dismantle lease for the Greenfield site has not been executed yet due to scrap metal prices. There has been interest expressed in a lease by a contractor doing part of the Fox River dredging work to utilize about half of the site from late this year into next year to store their equipment used for dredging. A formal request will be brought forward after confirming that this would not impact the barge dismantle use of the site.
- An update was provided on the 115 S. Van Buren demolition project. Asbestos remediation is being done and demolition should start on Monday.
- Staff continues to work on the 321-325 N. Broadway project and is hopeful that the project will move forward.

Chair ruled for adjournment at 2:50 p.m.